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economic activity. The object of a union of this kind is to secure legislation leading up to a Sunday closing law or eight-hour day. The *Verband* is a closer organization, really an association, which regulates the activity of its members for the general interest. The *Gesellschaft* is a still closer form of organization which has some one direct purpose to which the entire economic activity of its members must be subordinated. These forms may be so combined with one another as to explain pools, trusts, fusions and combinations. A historical study of the growth of these elements closes the part. Part II, the larger portion of the treatise, is given to an analysis of the character and workings of combinations; while Part III is devoted to some remarks on the importance and possible future of these organizations.

The author very candidly admits that it is difficult to distinguish existing combinations as belonging to any particular class arbitrarily made. Which goes to show that the effort to classify industrial movements is attended with great difficulty and small results.

The concluding remarks are conservative, almost negatively so. They do indicate, in a general way, the tendency of industrial combinations to develop into other forms and to widen their field. Some specific European examples are given showing this tendency. The book undoubtedly will serve a useful purpose in the general classification and study of industrial forms. But it will not be particularly valuable to Americans, for the reason that many of the distinctions made in the book have already been pointed out by such writers as Hadley, Clark, Gunton, Ely, Jenks, and von Halle. The last two writers of this group are the only ones who seem to be known to the author. Even the careful insistence that the undertaker must be studied as a risk-taker, and not as a profit-winner, is very familiar ground to American students and hardly needs the mention it is given.

On the whole, it may be said that the book shows careful study and thought and is clear and forcible, but has been anticipated by the writings of the economists mentioned above.

FRANK L. McVEY.

State Control of Trade and Commerce, by National and State Authority.

By ALBERT STICKNEY. New York: Baker, Voorhis & Co., 1897. 8vo. pp. xiv + 202.

IN this book the author has undertaken to indicate the tendencies and growth of English and American law in relation to trade and

commerce. His method is inductive. As a means of interpretation he uses classification based on the nature of industrial employment, a distinction being made between laws regulating private, and laws regulating public employments. Considering both English and American law from these two standpoints he concludes that the tendency in both countries has been to abandon all attempts by statute, or by the action of the government in any form, to interfere with the freedom of contract in private employments, while as to public employments, *i. e.*, those of a public or quasi public nature, like innkeepers, common carriers, etc., the tendency has been in the opposite direction,—to increase the degree of control by national and state authority. Having concluded that the tendency of the age is adverse to state control in private employment the author then proceeds to condemn recent legislation and adjudication in the United States, directed against “trusts” and monopolistic combinations, as opposed to the spirit of our institutions and adverse to industrial progress.

Before accepting these conclusions it may be well to notice some of the methods employed in reaching them. It goes without saying that a conclusion, arrived at through the process of induction, to be of any value, must be such as to account for all the facts and phenomena coming within the purview of the subject. It would be a very faulty method that would allow a conclusion to be drawn from a range of facts much more narrow than the field of inquiry,—general conclusion from special data,—and yet this seems to be the method employed in chapter I which treats of “The Course of the English Law as to State Control of Private Enterprise.” The only data that the author purports to have examined are the laws concerning the price and quality of labor and certain classes of merchandise. Yet he concludes that the tendency in that country has been toward freedom from state control in private employments.

“It will appear,” says the author further, after devoting about twenty-five pages to statutes *intended to fix, directly, the prices and quality of labor and merchandise*, “that the latest attempts in this country to control the so-called ‘trusts’ and ‘monopolies’ today are on the same line as these statutes have set forth.” This conclusion certainly requires further explanation when we consider that the “statute of laborers,” in fact all of the statutes cited, were passed in order to support one of the most iniquitous monopolies that the world has ever known,—that social and political monopoly which made the laborer a

serf and a slave to the property holding and governing classes. These laws, if we may accept the opinions of Thorold Rogers, and others, were passed in order to maintain monopoly and suppress efforts on the part of the people to obtain the right of free and open competition. Some have interpreted the abolition of these measures as evidence of a movement in the direction opposite to that indicated in this volume.

The same criticism may be offered to chapter III, devoted to "The Course of the American Law as to Private Employments until the Recent Decisions."

After considering the common law relative to conspiracy, the acts of the Continental Congress and of the various colonies in revolution, passed to support a depreciated currency, and a few decisions relative to labor combinations, the author concludes, that, until the New York decision of 1893, "it may be stated with accuracy, that any mere contract, which looked only to the raising or maintaining of the prices of the property of the contracting parties, or which looked to the regulation, only, of the actions of the contracting parties, or to the prevention of competition between the contracting parties and went no further, was neither criminal nor unlawful."

Are these data broad enough to give us any comprehensive knowledge of the subject in hand, viz., the course of the American law as to private employments? Is the conclusion, if true, of any special value? No mention is made of statutes attempting to control, the time of employment, those protecting labor from unfavorable competition; laws pertaining to contract and convict labor, the employment of women and children, regulating the "sweating system," requiring day labor on public works; laws controlling the security and payment of wages, such as lien laws; requiring payments at stated periods, requiring payment in money instead of "truck," preferring labor claims, to say nothing of those other forms of control which have to do with the health, safety, and education of employees. These certainly have to do with "private employments" and come properly within the main subject of "control." So, also, have the laws affecting contracts in private employments, other than those pertaining to labor, been ignored. Yet, presumably, from the data set forth, the author makes the statement, that, "therefore" (after the year 1777) "there was in this country virtually an entire abandonment of all attempts by statute, or by the action of government in any form, to interfere with the freedom of contract in private employments."

Assuming however that the author has been unfortunate in the title given to his work and the subject matter of his various chapters : assuming that the main thesis is that of a defense of "trusts" and "monopolies," he has failed to set forth any justification of them whatever, either in showing the tendency of law or by setting forth their economic significance. Admitting as true "that any mere contract which looked only to the raising or maintaining of the prices of the property of the contracting parties, etc., etc., was neither criminal nor unlawful" prior to 1893, does this stand as proof of the tendency of the age? Has the author shown that the forces, which brought about the legislation of which he complains, were not the same forces that caused the repeal of the statute of laborers and the passage of the act of 1870? Has the author shown any principle whereby the "trust" or "monopoly" is entitled to recognition as an instrument of economic progress? General statements have been made such as, "the experience of both the English and American peoples. . . . shows that such combinations work no substantial damage to any but the parties combining:" that, "no such combination has ever had any substantial result, other than to make a slight rise in prices, in some local market, for a very short time, etc.," that, "as a matter of historical fact, even in early times, . . . no substantial practical evil ever resulted from any attempt to merely raise prices of labor or merchandise on the part of either individuals or combinations of individuals. . . . But today with our vast modern development of the science and machinery of transportation, when the markets of the world have largely become one, when a rise in the price of any kind of merchandise immediately causes an increase in supply, . . . there is no longer any danger, from any attempt to enhance the price of merchandise.

If we admitted such statements as true, the conclusions, by *a priori* reasoning, might be granted. But are they true? Has it been the experience of both nations that "no such combinations have ever had any substantial result other than to make a slight rise in some local market for a very short time?" How does the author account for the fact that copper and many of the other products of this country controlled by monopolies have been held at prices far above the English market during a long period of years, while wheat and other agricultural products, the output of which could not be controlled by them, have uniformly sold for higher prices abroad? In both cases we were the export producers; in both we had a tariff on imports. How does he

account for the price of steel rails and other products of monopolies at home and abroad? How does the history of the Sugar Trust accord with this statement?

Again, have we in America that free and world-wide competition that would protect us "from any attempt to enhance the price of merchandise?" How does this statement accord with the fact that we have around us a "Chinese wall" within which all kinds of "trusts and monopolies" are fostered by the kindly *protection* of a tariff that precludes this free and world-wide competition; that this tariff is laid on the very products that are most completely within the control of these combinations? Having precluded competition from without, these trusts seek to preclude it from within.

It has been held by some writers that the purpose of recent legislation, having as its end "control of trade and commerce" in private employment as well as public, has been the conservation of the general welfare, and that in so far as contracts are opposed to the well being of the public it is the duty of the state to step in and impose regulations designed to make the order of business equitable and just to all concerned; not only equitable and just, but such as to give to the nation greatest strength in her people. It is on such grounds that the various laws have been upheld which regulate hours of employment and labor contracts, provide security for wages and time and manner of payment, protect employees, laws to prohibit mortgages on homesteads, exempt property from execution, etc. The opinion prevails that the recent legislation and adjudications of which the author complains is directed to the same end. At the least, therefore, it is incumbent on him to show that such is not the case, before statements of such purport might be expected to stand.

The volume may be said to have value in that it presents excerpts of laws and opinions that will be of use in any inquiry into the subject of which it treats.

FREDERICK A. CLEVELAND.

Die Finanzverhältnisse der Einzelstaaten der nordamerikanischen Union. Von DR. ERNEST LUDLOW BOGART. Jena: Gustav Fischer, 1897. 8vo, pp. 157.

THIS monograph, the doctoral dissertation of an American student at the University of Halle, is a descriptive and statistical account of American state finance and taxation. It deals only incidentally with